5-1-1972

Unemployment as a Social Problem in Urban Colombia: Some Preliminary Hypotheses and Interpretations

R. Albert Berry

File Copy Xerox

ECONOMIC GROWTH CENTER

YALE UNIVERSITY

Box 1987, Yale Station

CENTER DISCUSSION PAPER NO. 145

UNEMPLOYMENT AS A SOCIAL PROBLEM IN URBAN COLOMBIA: SOME PRELIMINARY HYPOTHESES AND INTERPRETATIONS

A. Berry

May 1972

(Portions of this research were financed by funds provided by the Agency for International Development under contract CSD/2492. However, the views expressed in this paper do not necessarily reflect those of AID.)

DISCUSSION PAPER NO. 145

UNEMPLOYMENT AS A SOCIAL PROBLEM: URBAN COLOMBIA

by

Albert Berry

Abstract

The problem of open urban unemployment has come dramatically to the attention of policy makers in the 60's in Colombia, after previously receiving virtually no attention. In the larger cities of Colombia during the 69's, a weighted average unemployment rate tended to fluctuate around 10 or 11 percent, reaching as high as 14 percent, and never falling significantly below 10% (although it was lower in some cities, in particular Bogota). Particularly high rates in 1966 and 1967 fueled fears that the rate might be on an upward trend leading to disastrous levels. By 1970, however, it was back to the range levels typical of the early 60's.

Open unemployment is a phenomenon characteristic of the larger cities in Colombia (although it is not typically highest in the largest of all, Bogota); Cali and Barranquilla and sometimes Medellin tend to register the highest rates. In rural areas and small towns rates are lower.

This paper focuses on and tests the hypothesis that the rate of open urban unemployment reflects fairly accurately the difficulties of getting a job, especially for the unprepared poorly educated lower part of the population and that, due to the low labor absorption of modern industry and other urban sectors, this problem is likely to become more aggravated as time goes on. Participation rates may be expected to decrease, the unemployment rate to increase, and income distribution to worsen. Employment problems will be particularly severe for the

rural to urban migrants swarming into Colombia's cities at a rapid rate.

Although the hypothesis undoubtedly has elements of validity, the statistics and interpretations presented here generally tend to contradict it more than to support it. As noted above, there is no evidence of a secular upwawrd trend in the open unemployment rate in urban Colombia. There is no evidence of a secular decrease in participation rates, after allowance for increasing school enrollment ratios for the young are taken into account; participation rates did tend to decline from 1951 to 1964, but have subsequently increased, due in large part to the rather dramatic increase in female participation. In general unemployment rates are lower for immigrants than for native born urban dwellers, and lower for people with no education or rural primary than for people with urban primary, or secondary.

It seems probable on the basis of the evidence, that a large part if not the majority of the unemployment observed in urban Colombia is related to individuals for whom the chance to remain unemployed rather than accepting a job they do not want is a "luxury" which they or their families can afford. In other words many of the unemployed are not the poor; the group which can afford to want for better opportunities is, almost by definition, not poor; it appears that about half of the unemployed pool at a given point in time are trying to obtain jobs which would put them in the top quarter or third of the income distribution. Evidence

on occupational mobility suggests that the really firm obstacle against mobility is between blue collar manual laborers (excluding people in commerce and salesmen) and white collar workers--including office, professionals, and so on. Very few people appear to move up over this line; education at a certain level appears to be the key to enter the latter category and the rapid increase in urban education over the last two decades--in particular of secondary education--may therefore plausibly be hypothesized to lie behind much of the increase in unemployment. Where a key objective of getting the education is to move out of the blue collar class, the resistance to accepting a blue collar job when white collar jobs are scarce is very high.

Another part of the unemployment does, undoubtedly correspond to a more traditional interpretation, i.e. it involves low income people with relatively low skills and poor preparation. And it contributes to the low welfare of these people; but the evidence tends to suggest that the state of being openly unemployed is not so severe a problem for these people, as are their low incomes, bad working conditions and the difficulty of finding jobs; the difficulty of finding jobs may be great, but with the incentive to find them so high, these people do, so the unemployment rate is not a good indicator of their problems.

It has been hypothesized that the increasing share of the urban labor force in commerce and personal services represents a "safety valve" exit from the state of or danger of unemployment; and it has been argued--usually on the basis of the National Accounts statistics--that incomes in commerce

have been constant or decreasing over time. This study, relying on new evidence from the 1967 Commerce Census, suggests that these prior conclusions were unwarranted, and points to evidence that workers in small scale commerce establishments have achieved substantial income gains over the period 1954-1967. The "safety valve" interpretation, in short, has to date no empirical support.

While this study concludes that open unemployment is not one of Colombia's more severe problems in terms of its direct negative impact on the welfare of individuals, it is by no means meant to suggest that difficulty of achieving employment is not a great problem; that difficulty appears to be tightly tied with the income distribution problem as a whole, and it therefore appears more important to focus on the overall income distribution problem than on an "unemployment problem." Frequently the appropriate policies would be similar for the two in any case, but some policies which might be designed to resolve the "luxury good" type of urban unemployment discussed above, e.g. creating white collar jobs in the government bureaucracy, fostering industries with high white collar job requirements, and so on--would undoubtedly worsen Colombia's already bad income distribution, and probably should be avoided if possible. Political pressure to adopt such policies could become stronger given the rapidly increasing pool of people with secondary education and the continuing class prejudice against blue collar work.

Unemployment as a Social Problem in Urban Colombia: Some Preliminary Hypotheses and Interpretations

Introduction

The rather rapid increase in open unemployment rates which seems to have occurred in a number of less developed countries between the 1950s and the 1960s has raised the alarm that this problem may become more severe in the 70s and subsequently, as the rapid rural to urban population shift continues or intensifies in these countries. The well documented tendency for many countries to introduce modern capital intensive machinery in their industrial (and other urban) sectors, while at the same time medical improvements increase the rate of population and labor force growth and bad rural conditions encourage migration to the cities, make these fears seem plausible.

Colombia is a case in point. It is clear that effective policymaking in that country will henceforth require a detailed understanding of urban unemployment. The phenomenon did become more severe in the 1960s, as far as can be surmised, and there are many auguries of its remaining substantial for some time to come. Appropriate decisions require an understanding of:

a) The economic structure and the mechanisms which lead to its existence;

b) Its impact on total output and income in the economy, and

c) Its overall social cost, part of which is likely not to be measured in terms of output foregone but in uncertainty, instability of income, etc.

Poverty or Unemployment - Which is More Serious? Are they Part of the Same Package?

Policy makers in many underdeveloped countries are in the process of adding improvement in income distribution and reduction in the level of unemployment to their main goals. Discussion continues as to whether output maximization is or is not in conflict with the other two; it is widely assumed that unemployment is of a piece with the poverty and distribution problems, i.e. that the bulk of the unemployed are from the working class and the marginal urban dwellers. And it is frequently hypothesized that people who are at one point of time openly unemployed are likely to be underemployed or disguisedly unemployed at other times -- that is, that these two categories may not be far from each other on a spectrum of "occupational problems."

Much interest attaches to the question of whether a low open unemployment rate need be treated as a separate policy goal in underdeveloped countries; it would not be necessary to do so if it were so closely entwined with the poverty--income distribution problem that the attainment of both objectives involved the same policy measures. It would again have substantially less interest as a goal if it were found that the people who are unemployed are not at the bottom of the "welfare scale."

Perhaps the most frequent interpretation of the unemployment phenomenon and its implications is that the masses of relatively uneducated and unskilled rural to urban migrants, along with some

native born city dwellers compete for too few jobs, with the unsuccessful competitors being "weeded out" into the unemployment pool. Such a view makes the unemployment problem very much part and parcel of the income distribution problem--the more serious is unemployment then, almost by definition, the more serious also is income distribution.

A second interpretation, jointly of the rapid rural to urban migration and of the unemployment in the cities, links both to a substantial wage differential between the rural and urban areas, and suggests that the unemployment phenomenon will continue to be severe as long as that differential remains--that as long as wages in a protected subsector of the urban economy remain high and above equilibrium, the migratory flow will not cease since it involves either an individual risk taking point of view, or a family income maximizing and averaging phenomenon.[1] This interpretation, along with the previous one, is pessimistic in that it suggests the unemployment phenomenon will become more severe, and that unemployment is serious and a separate welfare problem over and above the other difficulties such as generalized poverty which a less developed country may have.

---

[1] i.e. either from the individual or family point of view it is better to take a chance on getting a good paying urban job, even though unemployment is also a definite possibility, than to accept the much lower rural wage, even though it can be earned with certainty. See Michael Todaro: "A Model of Labor Migration and Urban Unemployment in less Developed Countries" American Economic Review, (March, 1969).

A number of characteristics of open unemployment as observed in Colombia suggest that the above interpretations are somewhat wide of the mark in their explanations, both of the basic mechanism which generates unemployment, and of its severity relative to other social problems the country may face.[1] Most obviously out of tune is the fact that many of the unemployed are relatively well educated and are searching for jobs which would put them quite high in the country's income distribution; the unemployment rate for immigrants to cities tends to be lower (at least for larger cities where the comparison is possible) than for urban natives, standarized for age and educational levels. These factors, and others to be brought out in more detail below, suggest that a good share of the unemployment reflects a discrepancy between aspirations and actual possibilities in terms of occupational status, income, etc. of persons who are in a position to refuse unattractive possibilities while waiting for the desired one. The phenomenon may thus be more a reflection of relative well being than of poverty. Both empirical evidence and logic (which suggests that an individual or family without any wealth cannot continue to subsist while unemployed) support this view at least in some measure. It is also consistent with the fact that, among less developed countries, some of those with the lowest urban unemployment rates have relatively low income levels and presumably low wealth levels.

---

[1] It should be noted that Todaro's explanation of the phenomenon (op. cit) was developed in the context of African countries, which may be substantially different in certain relevant structural aspects from the Latin countries, or at least from Colombia.

This paper, then, discusses the nature of unemployment in Colombia, trying to distinguish broadly among the competing hypotheses just cited, and focusing also to some extent on the nature of the unemployment (part time work, hard core unemployment, etc.). Of Major interest are (a) a comparison between unemployment and general poverty as sources of low welfare, and (b) some aspects of appropropriate policy responese.[1] Comparison of the unemployed with low income employed people in terms of such characteristics as (pre-unemployment) income, occupation sought, current living standards, etc., is a relevant exercise both to give perspective as to how seriously the unemployment problem as such should be taken, and to better understand its nature and causes.

It should be emphasized that the discussion is for the most part limited to open unemployment and does not analyse the possibly much more important disguised unemployment. The latter form may well have serious lost-output implications and is certainly frequently associated with low income levels and a serious "welfare" problem. Our hypothesis, therefore, is not that unemployment as a whole but rather "open unemployment," on which much of the discussion has focussed, is a relatively unimportant social problem. A corollory is that more attention and research should be directed to those other, probably more serious, forms of unemployment.

---

[1] We do not discuss here in any detail the basic question of the extent to which unemployment is due to such phenomena as high capital intensity in modern industry, rapid population growth, etc., and as a result do not try to appraise policy with respect to these variables.

The Null Hypothesis : Unemployment as a Luxury Good

To give some structure to the discussion to follow, it is convenient to set out in some detail the null hypothesis to be tested.

1. A major component of the unemployment pool consists of people who would with reasonable effort be able to get some job, but who are unemployed because of a preference not to accept available jobs and rather to wait for or continue to search for preferred ones. They are unwilling to accept the income and/or the prestige associated with the available occupations. Sometimes they might find such jobs disagreeable per se.[1]

2. A high proportion of the unemployed will be young and relatively well educated. The educational level attained tends to define the sort of occupation a person will look for, and unwillingness to accept relatively menial tasks is only plausible for persons with a certain level of education. Youth, which connotes relative lack of responsibilities, ability to rely on family for a living and perhaps optimism, implies a greater tendency to accept unemployment rather than an un-

---

[1]The typical dividing line between voluntary and involuntary unemployment, related to whether the person is actively seeking a job, clearly leaves a wide range of possible levels of vigor with which the job is sought. A person's activities could be more fully described as involving both a certain total level of job seeking effort or activity, and a distribution of that activity among certain possible types of jobs. The situation hypothesized here is one in which little or no effort is expended in looking for certain types of jobs while some or perhaps a great deal of effort, depending on the situation, is directed at obtaining other types. Obviously the likelihood that a person will remain unemployed depends both on his general level of job seeking effort and on the relationship between the direction of that effort and the types of jobs which can most easily be found. Qualified seekers may have found certain types of white collar jobs to be scarcer recently than they might have been, say, in the early fifties.

satisfactory job. Thus young people will predominate in the pool of the unemployed and the unemployment rate will be highest for them.[1] Since the possibility of depending on family is greater for single people, one might (as a corollary) hypothesize that the unemployment rate, other things being equal, would be higher for single than for married people.[2]

3. For a given age and educational level the unemployment rate will be higher for people born in cities than for people who have emigrated to them. This and the previous predictions essentially relate to the fact that few, regardless of their basic preferences, can afford to remain permanently unemployed. The length of time one can remain unemployed depends on his own wealth level plus that of friends or family on which he can draw (e.g. by living with them). Several factors suggest that migrants will have lower unemployment rates; first, uncertainty of job acquisition and inadequate wealth level to sustain unemployment over a lengthy period of time are likely to act as a deterrent to many people's migration unless and until they have obtained a job. Typically migrants may have lower wealth levels on which to draw than city born people, whose parents may have built up a certain reserve; young urban job seekers can subsist more easily on average than rural ones since they can live with their parents;

---

[1] Another reason to expect a higher employment rate for this group is simply that many are first entrants and even if overall employment difficulties are small, the frictional (looking around among alternatives) type of unemployment should be highest for them. Due to this section, it is of interest to compare the "previous workers" unemployed rate by age (as well as the total rate).

[2] There is, of course, an identification problem in the testing of this relationship since there may be a causal relationship running from "having a job" to "getting married."

some but not all immigrants can live with relatives; both these differences suggest that the latter group will remain in the unemployed state a shorter period of time before reverting to less desirable jobs.[1] Finally the migrant may have a specific place to which to return, whereas the native born person presumably must remain in the city. All these arguments should hold for people who do not differ in terms of educational level, jobs sought, etc. Many migrants are likely to be willing to accept menial jobs in the first place, so on this count too their unemployment rate should be lower if in fact it is less difficult to get such jobs than ones farther up on the occupational scale.

The chance to draw on family or friends in the city is presumably less for early migrants from a given village, than for later ones, so one might anticipate a narrowing over time of differences between the job hunting and accepting behavior of migrants and natives.

4. The participation rates for those groups with educational and other characteristics particularly associated with unemployment will be relatively low, since the possibility of waiting for the desired job while unemployed and of not searching at all (i.e. not being formally unemployed) will tend to depend on the same background factors. If unemployment had strong poverty implications, it would be expected that a high rate for a given group would necessarily imply a high participation rates for that group.

---

[1] It might be added that female immigrants are more easily lured into prostitution (an activity which of course keeps them out of the unemployed pool) than city born girls.

5. Although over periods of time people may be voluntarily unemployed, it is true, especially for men, that most must eventually enter the labor force. From the point of view of the urban economy, it may be of interest to distinguish three mechanisms or "exits" from the unemployment state which could be operative under the general circumstances hypothesized. There could be a "waiting line" phenomenon whereby the people who could afford to remain unemployed for a long period of time (living with their friends, or whatever) would do so; to the extent that people simply wait it out, a useful indicator of the overall severity of unemployment would be the length of the waiting line, presumably indicating how long the average person was unemployed before finding the job for which he was searching. A second possible mechanism is outmigration from the city in question; with respect to the urban unemployment problem as a whole, the relevant migration might be to the rural areas, although it is possible that there is a step phenomenon here (as in the case of rural to urban migration) and that people unsuccessful in finding the job they want in a large city move to a smaller one. Finally, there is the possibility that people simply give up, at least for the time being, their aspirations for the job they hoped for and take a less attractive one or leave the labor force. Various combinations of these phenomena may also occur; for example, a person may eventually have to take an unattractive job but continue to search for the job he wanted; he may migrate out of the city and continue to search from a distance for the one he wanted, etc. Present information is

too limited to identify such combinations. Our basic hypothesis here is that the relative importance of these mechanisms varies widely across income and wealth levels; low income people tend not to remain long in the waiting line, but to accept whatever job becomes available. Better off people remained unemployed longer, emigrate from the city, or simply leave the labor force.

6. To sum up one part of the hypothesis, the representative[1] unemployed person is not badly off compared to many people in the labor force; his unemployment is a reflection of the fact that someone is able to maintain him; further, frequently unemployment is the reaction of people with high job aspirations to a situation where jobs are available, but not the ones they want. People who never had such high aspirations, or who have had them scaled down, are in the labor force and are worse off--as least from an economic point of view--than would be the unemployed if they could obtain the job they want. While this latter comparison does not prove that the unemployed--while they are unemployed--are better off than the low income work force, it hints strongly that a long run comparison between the two groups would indicate that the currently unemployed are not low (relatively speaking) in terms of the present value of their life-time income stream.

7. The social cost of open unemployment in terms of insecurity may not be particularly severe, since when a person achieves stable employment after going through an aspiration adjustment process, his job security may be relatively high. This is consistent with (though not proven by) the low unemployment rates

[1]Or perhaps better, the "median" (on some welfare scale) since the concept of a representative unemployed person may be misleading.

characterizing people in the middle age groups and the fact that a good deal of unemployment results from voluntary job leaving rather than firing.

It is useful in the discussion to bear in mind the opposite set of hypotheses, i.e. that the unemployed are marginal, ill prepared people, disproportionately immigrants, and whose security and welfare level are seriously affected by the difficulties of getting and retaining a job. Since it is unlikely that unemployment is satisfactorily explained by either of these extreme sets of assumptions, effort must be directed to ascertaining what part of the phenomenon is of each type (assuming at least some unemployment falls into each category) or what intermediate combination of assumptions best explains the reality.

We now turn to a consideration of some of the statistical information which (a) bears on the relative validity of the hypotheses advanced above and the competing ones, and (b) helps to quantify some of the phenomena referred to. It is of interest first to review the historical pattern in unemployment rates.

A Review of Information on Unemployment

This section summarizes the available information on unemployment and participation rates; it serves as a background to the discussion of alternative possible causes below; more detailed information is presented in the context of those discussions where appropriate.

The rate of open urban unemployment has been higher in the 60s than it was in the early 50s, though it is not clear whether this reflects any upward secular trend or not. Within the 60s no trend appears; the rate

has tended to fluctuate around a level of 10% in urban areas as a whole. Since the systematic collection of figures began only in 1962, and the evidence from the 1951 census is difficult to interpret, no firm conclusions as to trend can be drawn. Figures on participation rates go back further (with the population censuses) and suggest a decrease extending perhaps until sometime in the early 1960's, followed then by an increase to the present.

A crudely guessed at index of urban unemployment for the four largest cities (Bogota, Medellin, Cali, and Barranquilla) since 1963 shows no trend, but rather an increase followed by a decrease[1] --see Table 1. More doubtful evidence on trends in unemployment comes from the 1951 and 1964 population censuses and the 1970 household survey carried out by DANE; for all municipal seats taken together, the censal and other information suggest an average unemployment rate in 1951 of 3 to 7% and in 1964 of 8-10%.[2] In

---

[1] Though it is true that there may be an increasing downward bias over the last few years--see sources and methodology of Table 1. Taking other information into account (i.e. DANE's 1970 Encuesta de Hogares) it seems unlikely that this bias has been great.

[2] The 1964 census showed a very low percent of people searching for jobs for the first time so the recorded 6.8% is a downward biased indicator of total unemployment, assuming the CEDE and DANE sample survey evidence on the relative importance of this form of unemployment is fairly accurate.

It is worth noting that the share of unemployment accounted for by first time job seekers is much higher in Colombia (almost 40% in urban Colombia according to the 1970 DANE household sample) than in a more developed country with lower population growth (the share in the U.S. in 1967 was 13.1%. See U.S. Department of Labor, Manpower Report of the President, April, 1971, p. 235). It may be assumed that a young labor force also implies a greater extent of job leaving due to dissatisfaction with the present position. Thus "with an increase of age and work experience, the incidence of job leaving and labor force entrance declines. Job shifting decreases as the worker finds a field suited to his skills and interests and as he takes on the responsibility of supporting a family". (See Kathryn D. Hoyle, "Job Losers, Leavers and Entrants --A Report on the Unemployed," Monthly Labor Review, April, 1969). Data for the period 1964-68 in the U.S. suggest that job-leaver and new entrant unemployment rates are relatively stable, while the job-loser category is the one whose fluctuations correspond to fluctuations in the total unemployment rate (Hoyle, op. cit., p. 28). It can only be speculated whether this is in part true in Colombia; the opposite is frequently hypothesized (e.g. Slighton, op. cit.).

Table 1

Urban Unemployment Measures Over Time

Year	Weighted Average of Open Unemployment Rates of the Four Largest Cities (CEDE-based estimates) (1)	Urban (Cabeceras) Rates Of Unemployment (DANE Census and sample-base estimates) (2)
1951		3-7
1963	10-12	
1964	10-12	8-10
1965	9.5-11.5	
1966	10.5-12.5	
1967	13-15	
1968	12-14	
1969	9.5-12.5	
1970		10.0

Sources and Methodology for Table 1

Column (1) is designed to be a weighted (by economically active population) average of the unemployment rate in the four largest cities, (Bogota, Madellin, Cali and Barranquillia. For some years data was non-existent or infrequently existent for some of the cities, expecially Cali and Barranquilla. Crude guesses were taken at their rates for those years, based on the usual relationship between their rates and those of the other cities when data was available for all. The range presented takes into account the possibility of substantial error in the guesses at the rates for cities without data in a given year; since data was most frequently available for Bogota, (which had almost 48% of the economically active population of the four cities in 1964) and next most frequently for Medellin, (with about 22%) the low weights of Cali and Barranquilla meant that the absence of figures from them did not imply particularly large possible error in the estimate of the weighted average rate. Unemployment rates for the various cities over time are presented in International Labor Office, Towards Full Employment: A Program for Colombia, Geneva 1970, p. 366.

Slighton (Robert L. Slighton, Urban Unemployment in Colombia: Measurements, Characteristics, and Policy Problems, The Rand Corporation, Memorandum RM-5393-AID, Santa Monica, January 1968, p. 18) observed that there was a serious possibility that the CEDE sample for Bogota was becoming outdated since 1964, leading to an increasing downward bias in the estimate. He concluded, however, that as of about 1967 the problem could not lead to a bias of more than 0.1-0.2 points in the unemployment rate estimate; even if it accounted for an implausible 3 point downward bias in 1969 the figures for Bogota would not indicate any upward trend over the last few years. Our range estimate for 1969 is wider in part because of the possibility of this increasingly serious bias. If something similar were present in the other cities as well, then one might indeed conclude that unemployment has been worsening. The odds would seem to be against this, however. DANE's 1970 sample survey figures bear this out.

Sources and Methodology for Table 1 (cont.)

With respect to Col. 2, no separate estimate of unemployment rates for 1951 appears to be available as between municipal seats and other localities. The global average was 1.178%. In the 1951 census people searching jobs for the first time were not even in principle treated as unemployed; in 1964 they were included according to the definitions but apparently not in fact, as noted above. The latter census shows first time seekers unemployment as less than one percent of the labor force in all regions, and usually less than 0.5 percent. The most likely interpretation of this underreporting is lack of specialization on the part of the census takers; the specialists taking the unemployment surveys are more likely to be accurate in such an instance. Experience with the university unemployment surveys of the 1960's suggests that on average about 1/3 of the people registered as unemployed are looking for jobs for the first time; this ratio fluctu ates somewhat over time and differs substantially from city to city; it is not obvious whether these differences are a systematic function of, for example, size of city or other economic variables. (For data on the breakdown between these two forms of unemployment see Raphael Isaza and Francisco Ortega, Encuestas Urbanas de Empleo y Desempleo: Analisis y Resultados, CEDE, Universidad de Los Andes, Bogota, January 1969). If the same ratio of urban/rural unemployment rates is assumedfor 1951 as for 1964, and it is assumed that one-third of all unemployment was unregistered since it involved people searching for their first jobs, then the 1951 figure for urban (municipal seats) would have been 2.7. Since unemployment data was available on a departmental basis, and since the ratios for some of the rural departments tended to be very low (lower for a whole department than the rural average implicit in the methodology just cited) a calculation assuming rural unemployment of 0.5 percent was made yielding an average of the urban zone of 3.5 percent. It seems highly probable that even this figure is downward biased due to infamiliarity of the census takers with the issue; perhaps a plausible guess at a range would be 4-7%; even such a range cannot be assumed with much confidence.

The 1970 DANE household survey is the source of the 1970 urban unemployment estimate. (See DANE, Boletin Mensual de Estadistica #238, Mayo 1971, p. 62.)

The "labor force" and "unemployed" definitions were not the same in the 1964 census and the 1970 sample, so it is necessary to consider how different the unemployment rate calculations could be for a given real situation. The respective labor force definitions were as follows:

(a) 1964 census. People of 12 years or more, who during the censal year exercised a paid occupation in the production of goods or services and those unpaid family helpers who worked at least one third of the normal working period.

Sources and Methodology for Table 1 (cont.)

Minimum time was not specified in the definition, but (see Resumen General, p. 140) it included people working less than one month. Presumably none of these were family helpers since such people are not included in the active population unless they work at least one third of the regular work period. Since paid workers were (according to p. 18) defined as "employed" if they worked nine or more months, (even if not working on the censal date) probably the cut-off for family helpers was 3 months. Thus there must have been about 300,000 paid persons who worked less than (up to) 3 months. So the definition of the labor force would on those grounds seem to have been quite broad. On the other hand, some observers have suggested that the question "months of work in the last year" was widely misinterpreted to mean months worked in what had passed of the calender year 1964, resulting in some of the declarations of low number of months worked. The higher number reporting 5-6 months worked could support this, though it would also be consistent with people's reporting in terms of round fractions; disproportionate numbers also reported 3-4 months and 7-8 months).

(b) 1970 Household Survey

People of 12 years or more who during the reference week exercised a paid occupation in the production of goods and services and those unpaid family workers who worked at least one third of the normal period (i.e. at least 15 hours). Members of the armed forces and part-time workers are included (DANE, Encuesta de Hogares 1970, p. VIII), as long as they worked at least one hour in the reference period.

If we assume that in either case inclusion in the labor force simply required "any work in the reference period" we could conclude that the working or looking for work in a given week would have been in one of those categories over a year-long period. The difference would, technically, amount to (a) people who retired during the last year and (b) people who for other reasons left the labor force during the year. Probably these groups would be relatively small. If one assumed a standard 60 year retirement age, the percent of the labor force passing this point in a year would be about 0.6% in one year. Other people leaving the labor force in a given year (perhaps primarily women) might amount to a comparable amount or more. If one tenth of the women in the labor force during the previous year left it by the end of the year, this would constitute a little over 2 percent of the labor force. Perhaps, therefore, an upper estimate of the total difference between the two labor forces would be 2-3%.

Sources and Methodology for Table 1 (cont.)

The definitions of unemployment were as follows: In the 1964 census, it appears (although there is considerable confusion here) that a necessary condition to be unemployed was not to have worked on the censal date; the other necessary condition was to have worked less than 9 (3) months if a paid worker (family helper). In the 1970 household survey, the unemployed person was one who had not worked during the week although actively seeking employment. The survey category may be expected to be about as wide as the census one; almost all the "census unemployed" would be unemployed according to the sample definition (except a strange category listed as having worked before but not seeking work in the reference year--about 0.3% in 1964) while the sample unemployed would not all be so classified in the census. The percent of people not working on the censal data, having worked 9 months (3 months if family helpers) and not working during the sample week would be very small, if the 1964 figures can be trusted--only 0.2% of the labor force satisfied the 9 (3) month condition yet were unemployed on the censal date. Probably few of these would have worked in the censal week so the difference introduced in this way would be about 0.2% of the labor force as noted above, the sample labor force would be 2-3% lower. On balance the sample unemployment rate could be a fraction above the census one though it seems that the difference could not be significant.

Usefulness of these census figures depends largely on whether they are consistent with the university sample survey (since a satisfactory methodology cannot be taken for granted in the former case). For Bogota the figures seem at first glance to be remarkably consistent; the census, taken in July, indicated 8 percent open unemployment (ILO, op. cit., p. 361); the ratio using the usual university sample definition of unemployment however, would have been 7.5, exactly equal to Slighton's upward revision of the CEDE information for June 1964. In the absence of further information, one would thus easily reject the null hypothesis that the implicit definition of unemployment in the two sources was different, or that the CEDE survey was a non-representative one. The issue is confused, however, by the fact that the breakdown of unemployment between the "aspirantes" and "cesantes" categories is different; in the CEDE data aspirantes constitute 2.5 of the reported 7.2 percentage points of unemployment; in the census information this category only provided 0.35 points of the 7.5% total. The two pieces of information taken together could suggest that both sources were downward biased, but for different reasons, and that total unemployment might have been say 8-10%, probably closer to the upper limit.

The Medellin data perhaps provide a better test; in June 1964 the university sample indicated an unemployment rate of 13.6; the population census data have not been published for Medellin alone, but the figure for Antioquia cabeceras is 9.0%. Since smaller cabeceras apparently have lower unemployment rates (as defined in the census), it appears that Medellin should be about 11.5 to be consistent with its share in economically active population of the Antioquia cabeceras. A discrepancy of two percent (a little more assuming the correction of the census definition to make it parallel to the university sample definition would lower the 11.5 figure) is in the range which would be predicted given that the census for some reason did not pick up first time job seekers.

1970 the comparable figure was about 10%. This suggests a marked increase between the 50's and the 60's, but since the year 1951 was in the midst of Colombia's most rapid growth phase, it might be argued that part of the difference with 1964 (perhaps a substantial amount) was due to cyclical rather than secular factors.[1] Further, the open unemployment recorded by the censuses is higher in municipal seats than in rural zones, and in general somewhat higher in larger cities than in small. It seems plausible that as the economy develops -- cities become larger, mobility of people greater, preparation more specialized and so on -- the expected "frictional level" of unemployment for the economy as a whole should rise somewhat; it would not be implausible to assume that it rose by one or two percent in the 1951-1964 intercensal period. And though it seems unlikely, it is not impossible that the increase over the period was by as little as 1-3%. If another part of the increase were due to the different cyclical position of the economy at the two points of time, it would become quite unclear whether anything would be left to be explained by a "structural increase."[3]

Sources and Methodology for Table 1 (cont.)

In Caldas, where the unemployment rate in Manizales was extremely high in 1967 (though that of Pereira was only 11 percent in 1966) the rate of urban areas according to the 1964 census figures was a little under 7 percent.

[1] I.e. the combination would not necessarily indicate a tendency to higher unemployment for a given growth rate of income or output. Support for this argument is implicit in the fact that the 1938 population census reported a higher unemployment rate (2.5%) overall than did 1951. Both were presumably biased down substantially -- see earlier discussion. Atlantico showed an 8.1 rate; Antioquia, 3.0 and Cundinamarca, 2.4, all above the 1951 figures. The rural-urban division was not available.

[2] Discussion of the 1951 figure is presented in Table 1. Thus, according to the 1964 census, the cabeceras as a whole had a registered unemployment rate of 6.8% and the rural zones (otras localidades) of 2.9%. Bogota's registered rate (for the cabeceras of the Distrito) was about 8% and that for the other major large cities was probably higher.

[3] Note also that a small part of the increase is a natural result of an age structure with more and more young people. If the true urban unemployment rate in 1964 had been, say, 10%, application of that year's observed age and sex specific unemployment rates would have implied an unemployment rate of a little less in 1951, perhaps 9 percent.

The 1964 census--1970 household sample data, like the CEDE information, suggest little net change over this period, after the apparently different treatment of the first time job seekers in the two sources is allowed for (see Table 2). "Cesantes"[1] were reported as about 6.5% of the labor force in 1964 and 6.05% in 1970. First time job seekers were 3.91% in 1970; the reported figure in 1964 was an implausible 0.24%.

It should be noted that, even if it were concluded that to date there had been no important upward trend, there would remain a serious possibility that, with the lagged effect of the increase in population growth and with a continued failure to resolve the problem of low labor absorption in some of the modern urban sectors, unemployment would become more severe and eventually have to be reckoned with even more carefully in social accounting. This result would depend on unemployment's being more the phenomenon described by the "alternative hypothesis" cited above rather than that of the null hypothesis of this paper. Fortunately some fairly detailed information is now available on the anatomy of unemployment in Colombia.

While the overall unemployment rate may be concluded not to have undergone a significant net change over the period (though CEDE's figures suggest it rose and then fell again during this 6 year interval (see the 1967 data for eight cities--Table 2), there were changes in structure. The male unemployment rate probably fell somewhat (the "cesante" rate dropped from around 7.5 to 6.0, according to the figures) while the female rate apparently rose (the "cesante" rate increased from about 4.5 to 6.0%). The first time seekers rate was very high for women in

[1] People who had worked before becoming unemployed.

1970 (5.8%); how much of the change from the insignificant level (0.26) reported in 1964 was real cannot be easily guessed at.[1] An increase in female unemployment rates might well be expected given the considerable increase in female participation rates (see Table 16). CEDE data indicate that usually about 50% of the female unemployed are aspirantes, as compared with a range of 20-35% for men, according to the year, city, etc. This difference may be interpreted in terms of a looser tie on the part of women to the labor force on becoming laid-off, moving, etc.; assuming many women who leave the labor force at one point of time desire subsequently to reenter it one would expect to find many aspirants.[2]

Disaggregation by region suggests that the "little change on average" pattern holds at this level also. (See Table 3). For all five of the regions into which the country was divided for purposes of

---

[1] It seems almost certain that this category was in fact under-reported in 1964. Even in 1964, by which time it appears that the census estimation of unemployment had improved, its handling still appears to have left much to be desired, judging from the internal inconsistencies reported to have been found in many of the questionnaires.

[2] A second factor in recent years may be the rapid overall incorporation of women into the urban labor force, which (see below) has led to a rather dramatic increase in female participation rates for certain age groups.

Table 2

Urban[1] Unemployment Rates by Type of Unemployment: 1964, 1967 and 1970

	1964 - Municipal Seats[2]			1967 - Eight Cities			1970 - Urban		
	Total	Men	Women	Total	Men	Women	Total	Men	Women
Previous Workers (urban plus rural)	6.41-6.85[3] (3.99-4.51)	7.23-7.68[3] (4.19-4.75)	4.41-4.67[3] (3.19-3.56)	9.51	9.32	9.86	6.05 (4.57)	6.01 (4.16)	6.01 (5.73)
First time job seekers (urban plus rural)	n.a. (0.24)	n.a. (0.24)	n.a. (0.26)	5.13	3.11	8.66	3.91 (2.93)	2.75 (1.88)	5.83 (5.83)
Total (urban plus rural)	6.79-7.26 (4.23-4.75)	7.69-8.17 (4.43-4.99)	4.67-4.95 (3.45-3.82)	14.65	12.43	18.52	9.96 (7.50)	8.78 (6.04)	12.14 (11.56)

[1] Bracketed figures refer to the country as a whole, in those cases where urban figures could not be separated out and where the comparison seems of interest.

[2] A range is estimated since one category in the census---"workers without employment on the censal date but who worked the minimum required during the censal year"--is impossible to interpret. These people were either unemployed on the censal date or were not part of the labor force--i.e. were not looking for work.

"Since this ambiguous category could not be disaggregated between "municipal seats" and "other localities", the lower limit estimate here excludes it and the upper limit estimate assumes two thirds of the people in this category were urban and unemployed; (somewhat over two thirds of the other unemployment categories were composed of urban persons).

[3] To estimate these figures (the census did not distinguish previous workers and first job seekers at the urban level-only for the country as a whole) it was assumed that the share of first time job seekers in total unemployment was a little higher in the municipal seats than in other localities. The result is not sensitive to this assumption since the number of first time job seekers reported is so small.

Sources and Methodology

The 1964 data are from DANE, Censo Nacional de Poblacion: Resumen General, 1964, pp. 110-112.

The 1967 information is from ILO, op. cit.

The 1970 Information was deduced from age specific rates of unemployment by type presented in DANE, Boletin Mensual de Estadistica, #238, p. 62.

the 1970 sample the data suggest that the male cesante rate fell; the fall probably was within the 1.2-2.5 point range in all the regions.[1] Judging from CEDE's data for Bogota, there seems to have been a real increase in the first time seekers rate between the two years; the average of the 1964 observations was 2.3% and the average of the first two observations of 1970 was 4.8%; that for June was 4.1%.

Meanwhile stated female cesante rates appear to have risen from perhaps 4.5-5.0% to a little over 6%.

Thus a considerable overall increase seems clearly to have occurred. A comparison of the 1970 and 1967 figures corroborates the conclusion that unemployment rates tend now to be higher for women than for men.

Table 3 indicates that high male urban unemployment areas are the north coast, Bogota, and the Antioquia-Caldas-Tolima-Huila Zone; the southern region (Valle-Choco and South) and the north-east (the Santanderes, Boyaca, and Cundinamarca excluding Bogota are low male unemployment zones. Though these regions are too large and in some cases too heterogeneous to permit of easy generalizations, there appears to be some tendency for the larger city--higher income

[1] Assuming the cesante figure in 1964 is more or less 0.2 to 0.4 points below the total figure presented here. For reasons discussed in the context of Table 2 it seems likely that the 1964 census figures may be downward bias indicators even of the cesante rate ; if that be the case the fall between 1964 and 1970 may be greater than suggested in the text.

Table 3

Unemployment Rates by Departments and Regions:
1964 and 1970

	Region and Department	1964 Census						1970 Encuesta de Hogares Cesante Unemployment Rate					
		Urban			Rural			Urban			Rural		
		Total	Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women
I	Atlantico	10.476	11.884	6.492	7.927	8.113	4.462						
	Magdalena	4.031	4.367	2.974	2.613	2.620	2.514						
	Bolivar	7.319	8.182	4.951	5.818	5.902	4.913						
	Cordoba	13.643	3.834	3.142	1.587	1.498	2.576						
	Total Atlantico Region	7.538	8.433	5.003	3.641	3.655	3.472	6.46	6.16	7.09	3.90	3.58	8.53
II	Santander	4.629	5.682	2.849	2.579	2.610	2.321						
	Norte de Santander	5.280	5.712	4.210	1.007	0.684	4.340						
	Bovaca	2.991	3.688	1.582	2.100	2.207	1.299						
	Cundinamarca	2.875	3.504	1.481	1.439	1.478	1.118						
	Meta	2.807	3.146	1.408	0.999	1.014	0.823						
	Total Eastern Region	3.900	4.581	2.426	1.830	1.843	1.723	2.78	3.02	2.41	1.12	0.95	1.37
III	Bogota	8.019	9.580	5.179	6.514	7.527	4.053	7.96	7.46	8.66	n.a.[1]	n.a.[1]	n.a.[1]
IV	Huila	8.440	9.292	6.334	5.429	5.348	6.300						
	Caldas	9.493	10.789	5.335	3.083	3.070	3.361						
	Antioquia	8.998	9.630	7.304	4.924	4.819	6.284						
	Tolima	3.935	4.769	1.598	2.106	2.178	1.371						
	Total Central Region	7.575	8.240	5.714	3.902	3.859	4.498	5.74	6.32	4.30	1.96	1.85	3.33
V	Valle	6.913	5.581	4.886	2.758	2.769	2.610						
	Cauca	1.806	2.011	1.305	0.702	0.682	0.808						
	Narino	6.342	7.482	4.122	5.159	5.611	3.535						
	Choco	3.383	4.874	0.917	0.822	1.076	0.278						
	Total Southern Region	6.913	7.627	4.886	2.796	2.926	2.134	5.68	5.52	5.97	3.37	3.05	4.81
	Total	6.790	7.691	4.628	2.91	2.94	2.608	6.05	5.98[2]	6.13[2]	2.42	2.07	4.72

Table 3 continued:

[1]The DANE tabulados presenting the detailed unemployment figures show only three unemployed persons in the rural Bogota region (where the sample was very small) so the rate figures cannot be taken seriously.

[2]These figures differ slightly from those of Table 2, due to a difference in the method used to calculate them from the underlying regional figures.

Sources: For 1964, the population census. For 1970, the Encuesta de Hogares (p. 6).

zones to have higher unemployment rates.[1] The relatively poor northeast has strikingly lower rates (both male and female) than any other region. Bogota, the richest center, appears to have an overall unemployment well above the national average.[2]

Open unemployment has usually fallen in the range 7 to 18% in the cities of varying sizes--where surveys have been made. A summary of the information available to date is presented in Table A-1. The figures collected fairly continuously for Bogota since 1963 and sporadically for other cities worsen markedly in 1966 and 1967, while improving again in 1968 and especially in 1969. There appears to be a fairly consistent relationship among the rates of the four largest cities, that of Bogota being systematically lower than the others; exceptions to this rule have probably been infrequent. Figures for Barranquilla are the scarcest, but they suggest it may be the worst of the four; this is consistent with other impressionistic evidence.

It might be anticipated that the higher rates for some of the larger cities reflect in part young populations heavily concentrated in the age ranges where unemployment tends to be highest, and that age specific unemployment rates would be less a function of city size than are the overall rates. In particular the share of unemployment corresponding to people looking for their first job relative to those who have previously had jobs

---

[1] Valle and Narino are somewhat out of line with this generalization in 1964, but the 1964 data are in any case less persuasive (because of inferior quality) than the 1970 data.

[2] The DANE household survey, taken in June-July 1970 indicates a rate of only 7.9% (Revista del Banco de la Republica, Mayo de 1971, p. 790). Given that the definitions of unemplyment appear to be identical (CEDE, Encuesta de Empleo y Desempleo, p. 91), this is a huge difference. It raises the possibility that CEDE's sample framework had become somewhat obsolete. An age specific check would be required to test for other possible explanations.

is highest where the population is young; this suggests that the "cesante" rate may vary less by city size than the overall rate.[1]

Rates of open unemployment appear to be higher in the largest cities taken as a group than for the intermediate sized and smaller cities[2] (although Bogota's rate appears usually to be below that of the other three largest cities).

Table 4 shows the unemployment rates for the eight cities of CEDE's 1967 study; the cesante rate is a little higher in the larger cities (higher for men and a trifle lower for women) but the aspirante rate is 50% higher or more for both sexes in the four largest cities. The higher total rate (a difference of over 3 percent for both sexes), reflects mainly this latter; it might well be that higher aspirante unemployment rates reflect better job opportunities.

The smaller cities show a considerable range of unemployment rates; figures have been taken for Girardot as far apart as 1963 and 1969, and have never gone about 10%, although no survey was taken during years of the worst unemployment in Bogota. At the other extreme, the 1967 figure for Manizales was 17.4%, exceeded only by Cali's figure of about the same time. One may hypothesize that the cities above a certain size have some homogenity in terms of composition of occupation or structure of labor marketing while the smaller ones may differ more markedly, suggesting a greater range of unemployment rates at a given time. The lower average

---

[1] Unemployment depends, of course, on the occupational category and the sector, so cross city differentials may be expected to reflect these variables as well.

[2] This comes through particularly in the population census figures where the unemployment rate for all the cabeceras of a department (ranging down to a 1,000 or so population) is almost invariably below that for the capital city.

Table 4

Unemployment Rates and City Size

	Males						Females				
City	Overall Unemployment Rate	Cesante Rate	Aspirante Rate	Weighted[1] Average Cesante Rate	Weighted[2] Average Aspirante Rate	Weighted Average Unemployment rate	Overall Unemployment rate	Cesante Rate	Aspirante Rate	Weighted[1] Cesante Rate	Weighted[1] Aspirante Rate
Bogota	14.9	10.55	4.4	10.01	3.59	13.60	17.9	8.47	9.4	9.83	10.15
Medellin	11.8	9.44	2.4				19.2	10.0	9.2		
Cali	11.1	8.36	2.7				22.3	11.1	11.2		
Barranquilla	15.2	11.30	3.9				26.3	12.96	13.3		
Bucaramanga	7.4	5.50	1.9	8.38	2.45	10.38	13.3	6.93	6.4	10.26	6.41
Manizales	15.5	12.40	3.1				21.2	13.89	7.3		
Ibaque	11.4	9.50	1.9				16.4	11.25	5.1		
Popayan	8.3	4.74	3.6				14.1	7.36	6.7		

[1]Weighted by total rather than male labor forces, using 1964 census figures.

Source: CEDE, Encuestus Urbanas.... op. cit.

income levels and so, according to our basic hypotheses would be expected to have lower unemployment levels. This latter hypothesis would also fit the limited data on small satellite towns (like Zipaquira) near Bogota. In 1963 the figures for Facatativa and Chia were comparable to those in Bogota and in Zipaquira they were much lower.[1]

Little research has to date been directed at the macroeconomic determinants of unemployment. Although this is not our chief concern here it is worth reviewing briefly the information on the relationship between the unemployment phenomenon and the general state of the economy; frequently discussions of unemployment assume a simple positive relation between employment and output growth, implying thereby a simple negative relation between the growth rate and the level of unemployment. Superficial comparisons of the urban unemployment index presented in Table 1 and national accounts figures on the rate of growth of non-agricultural output (or of industrial output) suggest no clear relationship. (See Table A-2b.).

---

[1] One might hypothesize that unemployment rates would vary among cities according to age structure of the active population, sex structure, degree of differentiation of occupations, occupational structure, wage rates for different types of occupations, and rate of increase of certain types of jobs, coupled with the past expectations as to the increase in jobs on the part of people who migrate in or out on the basis of such expectations. Little information is as yet available from the 1964 population census on occupational structure by city size.

Since the unemployment rate only moves away significantly from its typical 10.5-11% range in 1951 and 1966-67, any hypothesis must be based on characteristics of those or (perhaps) previous years. 1951 itself was a slow growth year, but succeeded a fast growth period; 1966 was high growth and 1967 slow growth. 1964 and 1965 were both high growth of non-agricultural output, and moderately so in industry. It is hard to make a case for a negative "growth rate-unemployment" relation using growth of any of the listed variables; a positive tie with a lag would receive more support but in general it is clear that these macro variables per se do not, in any simple way, explain the unemployment rate. With respect to the period 1963-1969, 1966 and 1967 appear fairly unambiguously to have had the highest unemployment rates. This would be consistent with unemployment rates being related to the rate of growth of urban output or urban industrial output with a small time lag. The years 1964-66 had a markedly faster rate of growth or urban product (6.3) than did the years 1967-68 (4.8%).

A similar but smaller difference exists between rates of growth of industrial output for the two groups of years. A lag is suggested by the fact that although 1963 was a year of slow growth in industry and urban product its rate of unemployment was not high relative to the succeeding years; this would be consistent with the fact that 1962 was a fast growth year and its effects were presumably still being felt in 1963. Similarly, although 1968 was a good year (especially with respect to 1967) the unemployment rate was still high; but it had fallen in 1969, consistent with the fact that this was a good year. And 1951, although not a year of dramatic growth itself (the terms of trade were somewhat worse than in 1950) followed the very rapid growth of the late forties; over the period 1948-50 the growth of the urban sector was perhaps around 9%, gross national income was growing at about the same percent and industry probably a little faster. Agriculture was not doing well so that the gross domestic product growth rate was not at all outstanding. Still, with the very rapid growth of national income and industry in the urban sector as a whole, it would not be surprising to find a relatively low urban unemployment rate in 1951.

Factors Bearing on the Welfare Cost of Open Unemployment

Among the important considerations in trying to evaluate the welfare meaning of the unemployed are the extent to which the unemployed are first time job seekers, their age and family status, the length of time unemployed, the previous occupation category or job sought, whether they are "marginal" immigrants, etc. The hypothesis that much of the unemployment constitutes the luxury of being able to eschew undesired work while looking for an acceptable job to do is supported by considerable statistical evidence ralating to these variables. Over 60% of the unemployment registered in the eight cities surveyed in 1967 was of people

less than 25 years old (see Table 5); about 80% corresponded to people of less than 35 years old; people of less than 25 and less than 35 accounted for about 35% and 60% of the labor force respectively. The unemployment rate for people 15-24 ranges from 20% to over 30% in the 8 cities considered (weighted average, 26.5), tending to be somewhat higher for the larger cities; the figure for men was a little lower (ranging from 18 to 31%). For the age group 25-34 the range of unemployment rates for men was 2 to 14; for the group 35-44 it was 3.3 to 8.1;[1] weighted averages for the cities together are presented in Table 6. One-quarter of unemployed men were first time seekers and one half of unemployed women. The ILO study indicates that among the first time job seekers only a small percent were heads of families; most are wives, sons, daughters, or other relatives and a few are lodgers. Among the previously employed the number of heads of families is much higher--10 to 20 percent for women and in the large cities a third and more for men.[2]

The figures on age specific unemployment in 1970 indicate similar patterns to those just outlined. (See Table A-2) As nearly as can be made out in the face of different levels of precision and different universes, the relative rates for different age groups have been fairly stable in the period in question.[3] Bogota is the only base for different age groups which can be held constant across the three studies; Table 7 suggests that here too little change has occurred.

---

[1] CEDE, op. cit., p. 97.

[2] I.L.O. op. cit., p. 358.

[3] E.g. .....

Table 5

Open Urban Unemployment by Age and Sex, 1967
(Percentage of Total Unemployed)

Age Group	Males	Females	Total
Under 15	3.1	2.3	2.7
15 to 24	52.3	63.0	57.2
25 to 34	20.9	23.0	21.8
35 to 44	10.6	7.8	9.4
45 to 54	7.8	3.4	5.8
55 to 64	3.7	0.3	2.2
65 years and over	1.6	0.2	0.9
Total			

Sources and Methodology

The table is taken directly from ILO, op. cit., p. 364. The unemployment figures correspond to 1967 for the 8 cities studies by CEDE (Encuestas Urbanas de Empleo y Desempleo, op.cit., Table 18). The by city figures presented in that study were weighted by the 1964 economically active population of the cities.

Table 6

Age-Specific Rates of Open Urban Unemployment in 1967
(Percentage of active labour force unemployed)

Age group	Male	Females	Total
Under 15	35.1	17.9	23.4
15 to 24	26.2	27.0	26.5
25 to 34	10.3	17.7	12.8
35 to 44	6.3	10.8	7.5
45 to 54	7.5	8.4	7.7
55 to 64	8.6	3.1	7.4
65 and over	7.8	0.7	6.5

Source: ILO, op. cit., p. 364.

Table 8, presenting the distribution of the employed labor force by occupations, and the jobs sought by previously unemployed and first time job seekers, brings out two more of the characteristics cited in the statement of the hypothesis. While unemployment rates were fairly high for most occupational and sector categories in 1967 they were not, in general, higher for low income jobs than for high income ones. It is true that the professional and executive unemployment rates are only one-half the average, but the rates for the other two "white collar" categories are well above average; the rates for the blue collar and service categories are a little below average. The high white collar unemployment rate is due to the very disproportionate share of first time job seekers in that pool; the cesante rates are about the same for the nonprofessional-executive white collar category and for the blue collar service category.[1]

It appears that, for a substantial share of the unemployed, the income earned when employed is not particularly low. About one-third of the unemployed in the eight cities in 1967 can be quickly

---

[1]Corresponding to these facts, it is interesting to observe that the unemployment rate (former job holders) is not markedly different for people of differing levels of education except for the post-secondary level. (Probably age specific unemployment rates by level of education do differ more; and underemployment, measured in months not worked is a clear negative function of education level according to data from the 1964 population census; this data is weak, however.) Thus in 1967 in the 8 cities studied by CEDE, among men a little over 30% of the unemployed former job holders had secondary or post-secondary education and about 21.5% of the women did; the unemployed new entrants to the labor force were somewhat more educated.

Table 8

Percent Distribution of Occupations Sought by Open Urban Unemployed, 1967, By Category

Occupation Group[1]	Percent Distributions: Previous Job holder		First-time Job seeker		Total		Employed Labor force		Unemployment Rate Index[2]	
Professional	3.1	3.8	5.4	5.7	4.0	4.6	7.4	9.2	0.57	.50
Executive	0.7		0.3		0.6		1.8		0.33	
Clerical	19.2	29.9	34.0	53.0	24.5	38.1	14.4	29.5	1.70	1.29
Sales staff	10.7		19.0		13.6		15.1		0.90	
Rural Workers	1.3	53.3	0.1	38.4	0.9	54.0	2.0	59.6	0.45	0.91 (or 1.05 without domestic servants)
Miners	0.4		0.3		0.3		0.3		1.00	
Transport workers	6.4		1.9		4.7		5.7		0.82	
Craftsmen	40.1		23.1		33.5		30.5		1.10	
Laborers	2.4		3.1		2.7		2.4		1.12	
Service Workers	10.8		9.1		10.3		8.8		1.17	
Domestic Servants	1.9		0.8		1.6		9.9		0.16	
Defense and Police	0.3		---		0.2		1.0		0.20	
Others	2.7		2.9		2.7		0.7		3.85	
Total	100.0		100.0		100.0		100.0		100.0	

[1]As described by respondent.

[2]Defined as "unemployment rate of category/average unemployment rate of all categories."

Source: ILO, op. cit., p. 366.

excluded from what one might call "poverty level" unemployment.[1] People seeking professional and executive jobs in particular, are normally not poor by Colombian standards. In 1967 the three categories accounted for 29% of all unemployment, corresponding to 23% of the previous job holders and about 40% of first time job seekers.[2] Since the three groups form only 23.6% of the employed labor force, it is seen, as noted above. that their unemployment rate was above average. This being due to the particularly high first time job seeker rate in the clerical category. Table 8 also indicates that domestic servants (here calculated at about 10% of the employed labor force) provided a very small part of the unemployment pool. These people are well down in the income distribution--for them unemployment is clearly less a problem than the low income itself (though the welfare level of domestic servants is hard to measure in economic terms because of their special condition of usually having at least adequate food and lodging, and often being unmarried).

---

[1] A minimum of 25 percent of the previous job holders are looking for jobs with incomes which would place them (roughly) in the top quarter of urban income earners and almost one-half of the first time job seekers are. These estimates are minima, since only professional, executive, and clerical plus a small percent of other categories; were included. The first figure could be as high as 45%.

CEDE's 1967-68 family budget survey provides the only evidence to date on the relative expenditures of families with an unemployed head. It is revealing that the composition of consumption of families with unemployed heads suggest that these families are probably at about the same absolute level as the obrero category in general.[1] If it is true that the younger unemployed who are searching for high income jobs are better off than the group who are family heads, then their consumption patterns probably put them rather high in the "consumption distribution."

Our overall hypothesis would imply below average unemployment rates in poor barrios. The limited evidence on unemployment rates at the barrio level is inconclusive. In a comparison of three Bogota barrios in 1962 Stand found slightly lower unemployment in a low income barrio than a middle income one; both were higher than the rate of a high income barrio.[2] Studies of low income barrios in various cities in the late 60s revealed unemployment rates for family heads varying from well below the city averages (where everyone -- not just family heads --- was included) in some cases to well above it in others. With the exception of the inquilino sample in Bogota, the figures tend to

[1]High total consumption is closely related to the share of expenditures going to food; this share was about the same for the two groups compared here.

[2]Miguel A. Antequera Stand, Ocupacion y Desocupacion en Bogota: Las Ferias, CEDE, Universidad de Los Andes, Bogota, Julio 1962. Stand found first time job seeker unemployed rates of 2.27, 9.48 and 8.24 in the high (Los Alcazares), middle (Quiroga) and low (Las Ferias) income barrios; the "previously employed" unemployment rates were, respectively, 5,45, 9.48 and 8.63. The share of the labor force who were independent workers or family helpers was 11.6, 18.1 and 25.0 in the three cases. Probably commerce contributed a lot to this job category; its importance was 12.8%, 11.7% and 21.7% respectively. Construction and manufacturing generated more than half the unemployment in Las Ferias but less than one quarter in the other barrios.

be below average for the cities. The age structures for two barrios for which this data was tabulated was not disproportionately found in the low employment age ranges relative to the city as a whole.

Another component of our hypothesis was that immigrant unemployment rates would be , if anything, below average for the total population, and that migrants would not, in some sense, constitute the core of the overall problem. In 1967 it was true, for all 8 of the cities studied, that average unemployment rates were higher for natives of the city than for immigrants from elsewhere in the

Table 9

Family Head Unemployment Rates in Low Income Barrios, Compared to City Wide Averages

	Barrio Family Head Unemployment Rates	City-wide Rates in same year
Invasion Barrios		
Las Colinas - Bogota 1967	6.3	12.2
Fatima, Francisco: Cali - 1968	3.3	14.9 (May)
Buena Esperanza - Barranquilla 1968	10.0	(18.4 in Oct/67 - no observation in 1968)
San Martin, Ancon Taquanquilla - Santa Marta	7.1	
"Pirata"Barrios		
Alcala - Bogota - Early 71	12.0	
Acacia - Bogota - 71	8.0	
Alquerea - Bogota - 71	14.0	
Official Housing		
Los Laches - Bogota - 1968	9.2[a]	11.5
La Floresta - Cali - early 71	8.5	
Inquilinos		
Afiliados of Provivienda - Bogota - 1968	21.5[a]	11.5

Source: The data of the first column comes from unpublished studies of the Urban and Regional Unit of Planeacion Nacional, 1971, the original sources being a number of separate studies of the cited barrios. The data of Col. (2) comes from Table A-1.
It must be remembered that "barrio" studies are often difficult to compare with other sources in terms of unemployment rates and similar variables; their questions may be different and may not be so carefully applied.

[a] In these cases the sample apparently included the whole population, not just family heads.

department or other departments; they were sometimes higher for immigrants from the same department than for those from other departments, although this relationship varied considerably from city to city (See Table 10). Ascertaining whether immigrant and native status really bears on the tendency to be unemployed requires disaggregation by age rate,[1] by occupation, by the type of unemployment (cesantes vs. aspirantes), etc.

We may note first that the "cesante" rate differs considerably less by place of origin than the overall unemployment rate, whereas the first job seekers rate varies markedly- usually being 50 to 100 percent or more higher for natives than for immigrants (See Table 10). This suggests that the immigrants tend not to come to the city without a job, especially those coming from the same department, who are presumably looking for lower income jobs; for this group the first time seekers rate tends to be in the range 2 to 4 percent whereas for natives it is seldom below 6 percent. Unfortunately no calculations of age specific unemployment rates (of both types) by whether persons are immigrants or not have been made. In the absence of such information, we have performed a crude test of the null hypothesis that age specific unemployment rates are identical for natives and each of the two groups of immigrants. By assuming that the average relationship between age and unemployment rate for a

---

[1] The fact that the average participation rates are much lower for natives of the city than for people born elsewhere (see Table 10) is consistent with the known fact that there are important differences in age distribution, the natives tending to be younger.

given city holds for natives and for immigrants, one can calculate a "predicted" unemployment rate for each group.[1] This exercise was somewhat inconclusive for Bogota, as information on place of origin was missing for a substantial share of the unemployed; it appeared, however, that the actual/predicted unemployment rate ratios were about as follows: natives, 1.23; immigrants from Cundinamarca, 0.85; immigrants from other departments, 1.06. Another somewhat crude calculation for Medellin[2] yielded the following indexes: natives, 1.03, immigrants from Antioquia 1.15 and immigrants from other departments 0.70. In Cali the indices are similar to those for Bogota (using the same methodology as for Medellin), i.e. natives 1.14, immigrants from Valle 0.92 and immigrants from other departments 0.94 and immigrants from other departments 0.94. The situation clearly varies from city to city, but at least for 1967 one would conclude that on average the age specific unemployment rates were about 20% higher for natives than for immigrants;[3] whether the year was atypical

[1] I.e. by using information on age structure of each group, from the 1964 population census.

[2] In this case crude because of lack of precise age structure data for the 3 groups, as a result of which the Bogota age structure data are applied to Medellin.

[3] Note, that for Bogota (I do not know of information for other cities) average educational levels of the population in each age group are higher for natives than for immigrants, if the same may be assumed for the economically active population, this is further evidence that the observed lower unemployment rate of the migrants is not explainable in terms of a different age/sex/ education combination which would be consistant with unemployments' being a more serious problem for migrants, other things being equal. If migrants had more education at each age level, and education were negatively correlated with unemployment at a given age, this might explain the lower average age specific unemployment rate of migrants. Since the premise is false, it cannot do so. (See Rafael Prieto D., "Causas del Desempleo en Colombia," in Empleo y Desempleo en Colombia, CEDE, Universidad de Los Andes, Bogota, 1968, p. 179).

Table 10

Rates of Participation and Unemployment by Place of Birth: Eight Cities

1967

	Participation Rates			Unemployment Rates				
	Men	Women	Total	Men	Women	Total	Cesantes	Aspirantes
Baranquilla	42.2	16.5	28.9	15.2	26.3	18.4	11.74	6.66
Natives	34.0	13.6	23.7	17.6	30.3	21.3	13.03	8.27
Same Department								
Other Department	67.0	23.8	43.3	11.4	20.4	14.1	9.84	4.26
Bogota	45.9	24.0	34.2	14.9	17.9	16.0	9.88	6.12
Natives	28.8	16.1	22.0	20.0	26.5	22.5	12.4	10.1
Same Department	74.5	40.9	55.4	11.0	12.5	11.6	8.23	3.37
Other Department	50.9	25.6	37.5	14.1	16.3	14.9	9.79	5.10
Bucaramanga	43.2	25.4	33.5	7.4	13.3	9.8	6.04	3.76
Natives	27.4	18.3	22.7	10.0	15.6	12.3	6.74	5.57
Same Department	70.4	35.5	29.3	6.0	11.1	8.2	5.54	2.65
Other Department	62.3	27.3	43.9	4.9	14.6	8.1	5.67	2.43
Cali	45.1	21.1	32.5	11.1	22.3	14.9	9.30	5.6
Natives	24.0	17.1	20.6	14.2	26.6	19.3	10.69	8.61
Same Department	73.3	22.5	46.0	9.2	18.2	11.6	8.0	3.60
Other Department	71.3	26.7	46.1	10.1	-19.9	13.3	8.95	4.36

Table 10 (continued)

	Participation Rates			Unemployment Rates				
	Men	Women	Total	Men	Woman	Total	Cesantes	Aspirantes
Ibague	42.8	21.0	31.4	11.4	16.4	13.1	10.08	3.02
Natives	27.7	17.2	22.2	16.0	19.9	17.6	14.62	2.98
Same Department	59.9	30.3	43.9	10.7	15.6	12.5	88.72	3.78
Other Department	60.4	17.5	39.2	6.6	8.5	7.0	5.13	1.87
Manizales	43.3	20.6	31.6	15.5	21.2	17.4	12.87	4.53
Natives	33.2	13.8	23.8	19.4	24.2	20.8	13.68	7.12
Same Department	57.8	29.0	41.8	13.3	21.2	16.3	13.71	2.59
Other Department	60.6	27.6	42.2	10.6	16.9	12.9	10.32	2.58
Medellin	43.0	21.7	31.6	11.8	19.2	14.5	9.64	11.86
Natives	26.1	15.0	20.5	12.3	24.7	16.9	10.72	6.16
Same Department	63.6	28.0	43.4	13.4	15.4	14.1	10.00	4.11
Other Department	57.8	27.4	41.2	3.7	21.3	10.1	5.35	4.75
Popayan	43.7	27.8	35.0	8.3	14.1	10.8	5.87	4.93
Natives	34.8	20.4	27.4	9.0	20.9	13.5	6.89	6.61
Same Department	62.7	47.0	53.4	5.6	5.5	5.5	3.5	2.0
Other Department	59.3	29.8	42.1	8.9	14.1	11.1	6.34	4.76

Source: Isasa and Ortega, op. cit., pp. 111-112, except for the last two columns, which were calculated by the author from data in the statistical annex of the cited study.

is hard to judge. And unfortunately it is impossible to ascertain without more information whether unemployment rates may have been higher for immigrants in some age categories even though lower on average. Without taking account of differences in age structure, these indices for the three cities taken together would be 1.33, 0.80 and 0.86 respectively. Thus, age structure differences appear for each of the three groups, to account for about one half of the difference from average (i.e. from 1.00).

It is generally accepted, on the basis of studies of the migration process that interdepartmental migrants tend to have higher paying jobs, more education, and so on than intra-departmental migrants; this is especially the case with respect to people migrating to urban jobs.[1] Simmons' data in his study of migration to Bogota[2] is revealing in this context. Table 11, taken from his study, shows the much lower tendency of the short distance immigrants[3] to be found in the upper of three strata[4] and higher tendency (than native born persons and especially than immigrants from other departments) to be found in the lowest stratum. The "other department" migrants are, as can be seen, at slightly higher

[1]See, for example, Departamento Nacional de Planeacion, "La Poblacion de Colombia: Diagnostico y Politica," Revista de Planeacion y Desarrollo, Vol. 1, Numero 4, December 1969, p. 43. The ratio of immigrants born in a different department to residents is over 40% for professionals, technicians, people in personal services, and salesmen, at little below 35% for manual laborers, and about 38% for white collar workers excluding the professionals already referred to. The difference as indicated by these figures probably underestimates the difference among these groups in average distance migrated since it seems probable that a number of low occupation short distance migrants cross departmental lines.

[2]Alan B. Simmons, The Emergence of Planning Orientations in a Modernizing Community: Migration, Adaptations and Family Planning in Highland Colombia, Cornell University, Latin American Studies Program, Dissertation Series #15, April 1970.

[3]In this case, from Cundinamarca and Boyaca, a categorization rather parallel to the "same department" one used above.

[4]Simmons classification by "social stratum" can be safely taken as providing a good proxy for income levels.

Table 11

Distribution of the Migrants and
Native Born Men (Age 15-59) in Bogota
By Sample Strata

Social Strata in Sample	A (High)	B (Middle)	C (Low)	Total
MIGRANTS*				
From Boyaca and Cundinamarca	5	38	57	100
From other departments	23	43	34	100
All migrants	10	36	54	100
NATIVE BORN*	23	34	43	100
TOTAL POPULATION OF BOGOTA**	15	38	47	100

*Source: Pre-interview census of 3,579 randomly selected men, aged 15-59, Bogota, 1968.
**Source: Special tabulations of the 1964 census.

Source: Simmons, op. cit., p. 97.

stratum than native born people (the difference relating only to the lower two categories), though some of this difference could be associated with a difference in age structure.

Overall, recent years have seen a substantial buildup of information (of interest in the analysis of unemployment) on a number of aspects of the immigration process.[1] How much difficulty do migrants have in obtaining jobs;[2] do they progress in terms of income and occupation after arriving; do many leave the city again as a result of failure; is job searching becoming more difficult over time and/or the quality of the migrants diminishing (as sometimes argued)?

Simmons' analysis focussed on a selection of municipios in Boyaca and Cundinamarca -- he studied migrants in Bogota from these areas, as well as people living in them -- including return migrants. For all distinguishable periods of time the migrants were primarily from the small towns and not from the rural areas; they do seem to have been disproportionately from the small towns of the Bogota vicinity, rather than from the larger ones.[3] The fact that only 22% of the migrants reported the vereda as their place of origin is even more striking with respect to the earlier periods than the later ones, since even more than the 67% living in these places in 1964 would

[1]Particularly useful in this connection is Simmons' study cited above.

[2]Their low unemployment rate does not prove they do not have serious troubles -- troubles which could lead to re-emigration, accepting very undesirable jobs, etc.

[3]The fascinating result that migrants are disproportionately from pueblos rather than rural areas, but at the same time less than proportionately from localities with cities of 15,000 or more (Simmons, op. cit., p. 100) may be somewhat biased by the fact that the size definition of the pueblos is that of 1964 and that some of the migration referred to occurred substantially before that. That the selectivity described (small towns vs. cities) occurred in the period 1959-68 is clear, but that it occurred in the previous years is not clear, and very likely not true.

Several other studies provide somewhat comparable information on migration patterns: Carlos Garcia, Caracteristicas de los Immigrantes en Cinco Ciudades Colombianas, CEDE, Universidad de Los Andes, Bogota, 1970; T. Paul Schultz, Population Growth and Internal Migration in Colombia, Rand Corporation, Memorandum RM-5765-RC/AID, July 1969.

have lived there earlier. The rural sample (essentially small towns) showed a substantial number of return migrants; between 20 and 30% in the towns in question had spent some time in a large city, usually Bogota. The migrants tended to come predominatly from land owning and commercial families in the rural towns; in each stratum they tended to have one year less formal schooling than the native born Bogotanos;[1] In the city as a whole this difference was about two years because of different distribution across the strata.[2] A fairly large proportion of migrants (23% of those in the city and 32% of those who have returned) received some schooling in the city; one of the reasons for the arrival of upper strata children was clearly to obtain more education; on the average the return migrants have higher levels of education than the migrants who stayed in Bogota.

After comparing a group of migrants to rural non-migrants and to native born urban dwellers, Simmons found that modernity of response, mental flexibility and a number of other such variables increased with number of years of urban experience, especially for people with relatively low amounts of formal education, so that recent migrants frequently differed little if at all from rural counterparts with the same measured characteristics, whereas after ten or more years they approached the characteristics of people born in the cities, other things being equal.[3]

---

[1] Ibid., p. 103.

[2] Garcia (op.cit.) found a difference ranging from 0.6 to 1.3 in his random sample of employed persons in five cities in 1967; the Bogota difference was 0.9. The difference between this figure and Simmons' would suggest that the non-employed immigrants have lower educational attainment vis a vis the employed ones than is the case for natives; (or that these are data problems).

[3] This rather optimistic note seems to be matched by most serious

It is frequently hypothesized that recent migrants to Bogota are of lower quality than the better educated and more skilled streams of migrants who came earlier in time. This could imply increasing employment and other problems. Simmons, data, however, tended to refute this hypothesis.[1] Garcia's study (op.cit.) is consistent with Simmons; the average differential for the five cities (weighted by labor force) was 0.25 more years for natives in the 15-24 age group and 0.97 more years for natives in the 28 and up age group.

---

footnote 3 continued from previous page.

studies undertaken in other countries.

Nelson (op. cit.) feels that the literature has frequently over-emphasized the shock of urban life, failing to take into account the fact that many urban migrants come from smaller cities or towns and many more are close to the city, have visited it, and otherwise come to know something about it, (as obversed by Simmons in his study). The traditional rural social structure has been eroded in all except the most remote areas in Latin America. (See Marshall Wolfe, "Some Implications of Recent Changes in Urban and Rural Settlement Patterns in Latin American," paper presented at the U.N. World Population Conference (Belgrade, September 1965), p. 25.

Nelson also notes that the theory that migrants are disruptive has little empirical support; the evidence tends to go the other way--as exemplified by studies in India, Chile, and 19th century France.

Nelson's feeling is that formation of class consciousness and class based political organization is improbable due to the highly individual needs of the very poor plus their distrust, lack of organizational experience, lack of shared work experience and conditions of life, the considerable percent living beside aspiring middle class people in squatter's settlements, and the subjection to the diluting effect of the constant inflow of rural migrants. Emergence of a strong urban populist party appealing to the urban marginals, industrial labor, and perhaps low level white collar groups seems more likely--it would stress employment, public works, housing, etc. Another possibility is a gradually increased responsiveness to the needs of the urban poor on the part of one or more of the established political parties.

[1]There appears to have been no general increase in average years of education of the migrants, age of arrival held constant; for some age groups an increase has occurred but for others the opposite seems to have been true. The author concludes that this implies a decrease in average selectivity of the emigrants but not a decrease in "quality"

There appeared to be no trends over time in the difficulty of getting work or in the status of the work the immigrants were able to get.[1] In all periods about 40% received help from friends to get their first job and roughly 80% found work within the first two months of arrival,[2,3] it is not clear whether these proportions are

[1] Ibid., p. 112.

[2] This relative success in getting jobs is consistent with the experience in other countries. The large majority of immigrants to large cities in Latin America require relatively little time to find a job. Samples taken in Santiago, Buenos Aires and six Brazilian cities showed that 65-85 percent found jobs within one month (depending on the city); although data are not presented for all cities it appears that 40-60 percent find jobs immediately (or already have them). (See Joan M. Nelson, Migrants, Urban Poverty and Instability in Developing Nations, Harvard University Center for International Affairs, Occasional Papers on International Affairs, #22, September 1969, p. 15).

Joan Nelson,("The Urban Poor: Disruption or Political Integration in Third World Cities," World Politics.) also notes

> that there are consistently lower rates of open unemployment among migrants than among native urbanites, as indicated in Colombia, Chile, India, and Pakistan. This presumably reflects age structure in part; for Colombia, as noted above, this factor does not account for the full difference. The few surveys that compared current jobs or first job in the city with jobs before migration show considerable upward mobility. (Ibid., p. 399).

[3] For native born job seekers, comparable support would presumably be much higher, at least for housing and financial assistance, which in most cases would be given almost by definition.

higher for lower strata immigrants or not. It does appear that considerable upward mobility in job status takes place over an extended period of time, with inter-generational upward mobility seeming to be greatest for those arriving young in the city; those who arrived after age 25 show very little such mobility;[1] generally the migrant's first job in the city is lower than his father's typical occupation, but after 10 years he has equalled or surpassed his father's status. Since recently arrived migrants differ very little in work complexity scores from rural non-migrants with the same schooling, this suggests that the more complex jobs that the earlier migrants have attained over time is part of an occupational mobility process.

Valuable evidence on the extent of return migration as a safety value for unsuccessful employment experience in the city is provided by Simmons. He feels that there is no evidence to suggest that return migrants to the rural areas are predominantly composed of men who have failed in the city. Although not by way of proof, the data of Table 12 suggest that return migrants from Bogota to the surrounding highlands of Boyaca and Cundinamarca are characterized by a better than average opportunity in their place of origin. The percent whose fathers were farm owners or white collar people was 72 for migrants who did not return this porportion was 63% and for non-migrants 48%.

---

[1] Simmons, op. cit., p. 14.

While these might still be an element of "failure in the city" involved in the decision to leave, it seems unlikely that it could have been the sole, and probably not even the major factor. All this tends to suggest that the return migrants had relatively attractive alternatives outside the city and that this is what drew them out again.[1] Just as unemployment appears not to be a characteristic of the "worst off", neither does return migration. The individuals have higher levels of education than those who remained (and much higher than those who did not migrate out of the rural areas). They had less difficulty in finding their first urban job (95% had it within two months compared to less than 80% for the other migrants).[2]

In general, migrants tend to report that they are better off as a result of the move.

What then, to summarize, can be said of the migration-unemployment relationship? It would seem that the most plausible interpretation of the lower unemployment rate for migrants would be some combination of

---

[1]An entirely different "migration" phenomenon should perhaps be referred to in passing. In some parts of the country (especially the northern coast area) workers move (shuttle) back and forth between agriculture (frequently as crop pickers) and urban (often construction workers) on a seasonal basis. These people, more likely to dwell in towns or cities, cannot be thought of as migrants in the sense used in the rest of the present discussion. The phenomenon is of interest, however, as evidencing once again the quite substantial market response elements which go into the allocation of labor across sectors and between rural-urban.

[2]Ibid., p. 22.

Table 12

Occupation and Education of the
Fathers of Migrants and Rural Non-Migrants*

Sample	Eleven Rural Village and Towns		Bogota
	Non-Migrants	Return Migrants	Migrants from Rural Boyaca/Cundinamarca
(N =)	(191)	(53)	(461)
Percent distribution of father's occupation			
Landless agricultural workers and renters of small plots	46	23	33
Farm owners	30	47	32
(Total Agriculture)	(77)	(70)	(65)
Commerce, services and other white collar	18	25	31
Construction, transport and other blue collar	5	6	5
TOTAL+	100	100	100
Mean status of father's occupation[a]	2.1	2.8	2.3
Father's schooling (mean years)	2.1	4.3	2.8

*Source: Interview sample of married men, age 20-54, in Bogota and in eleven selected towns of Boyaca/Cundinamarca. The urban figures take into account the distribution of migrants by sample strata.

+Columns do not always total 100 percent, due to rounding.

[a]Occupational status scored on a six point scale from 1, "unskilled manual," to 6, "owners-manager. Father's occupation was defined as his customary occupation. Details of the status classification may be found in Table 3-1 (of Simmons, op. cit.).

Source: Simmons, op. cit., p. 103.

(a) a tendency, especially for those in the low skill categories (frequently coming from the same department) to make sure that the job is there or that there is a high probability of its being there before migrating, (b) greater willingness to accept low income and prestige jobs in the first place, and (c) relative inability to remain jobless for long and opportunity to return to place of origin. Meanwhile native born people, because their families live in the city and have a higher average wealth level are able to sustain a longer period of unemployment before being forced to take a job they did not want, leave the city, or whatever. It cannot perhaps be proven that the average lifetime income of the immigrants is lower than that of the native born people, but it seems a foregone conclusion for the "same department" migrants.

The fact that the rapid rural to urban migration goes on in the face of the unemployment might be adduced as evidence that people choose to risk becoming unemployed in urban areas when in fact they could have remained employed in agriculture; the argument usually presented is that the urban income is sufficiently above the rural one so that the expected value of it, even after allowing for the possibility of unemployment, is higher than the rural income.[1] On the other hand the evidence is that migrants are rather careful about planning jobs before they come to the city, and as a result

---

[1] See, for example, Michael Todaro, op. cit.

have very low "looking for first job" ratios there.[1] There is no evidence of a very large income differential (unless the 20-30% typically separating the urban construction worker and the agricultural laborer be considered large) it is true that educational, health and other aspects of living conditions are better in the city: these could constitute a strong pull factor. Thus it appears that if the rural-urban migration flow is a significant cause of the urban unemployment, its impact must operate in considerable degree through the increased competition in the job market which these migrants create for the natives of the city.[2]

Since, however, many of the latter group are looking for white collar jobs and many of the migrants for blue collar ones, the opposite seems at least as likely i.e. that the large reservoir of blue collar labor increases the demand for most types of white collar labor. In terms of competition for native blue collar workers, the evidence would rather suggest that migrants react to income differentials. They are unlikely to flood the urban market in disregard for the wage

---

[1] It is interesting to note that, in the case of Bogota, if reasonable guesstimates are made as to the precise "time unemployed" profile of immigrants to Bogota, those in the "waiting line" before acquiring their first job would contribute about 0.3 points to the overall employment rate. (Calculation based in part on data from Simmons, op. cit., p. 112).

It is theoretically possible of course, that the immigrants be particularly prone to becoming unemployed after already having a job; but the figures do not indicate this--See Table 10. Since they are not standardized for age, it si impossible to be sure whether cesante rates are lower or higher for migrants.

[2] It is a fact, of course, that a large share of the urban unemployed are immigrants. Table 13 presents a distribution of unemployment by place of birth in the 8 Colombian cities studies by CEDE in 1967; about 52% of all the unemployed in that year were not born in the cities where they sought work; the 25% who were born in the same department were probably from small towns or rural areas. Thus, although, migrant unemployment rates are lower than those of natives, because such a large share of the labor force of these eight cities are migrants (69%), they form a large share of the unemployed.

or unemployment impact. This is suggested in part by their relatively low unemployment rates (especially aspirante rates) and by the close relationship over time between, for example, the agricultural wage rate and the urban unskilled construction worker wage. (See Table 14).

Duration of Unemployment

In most cities in 1967 a quarter to a third of the unemployed had been without jobs for a year or more, and one-half to two-thirds for more than three months. The median length of time without work for the previously employed is a little under three months for most categories, though only about five weeks for domestic servants and executives (See Table A-3). First time job seekers had a median waiting period of four to five months, and 30% were looking for a job for one year or more (compared with 22% of the previously employed).[1] The category "laborers", which appears to refer to unskilled workers who are not classified as craftsmen and who form 2.4% of the labor force in the cities on which this sample is based, had particular difficulties; people previously employed in this category had a median hunting period of over one year.[2]

The time structure of Colombia's unemployment in 1967 appeared not to differ much from that typical of a high unemployment

---

[1] Women do require much longer on average to find their first job than men, so that while two-thirds of the unemployed with previous work experience are males, only two-fifths of the unemployed new entrants are male.

[2] Since this category is so small, the possibility arises that employment difficulties may be involved inthe respondent's defining himself into it, in which case the observed unemployment rate may have little meaning.

Table 13

Percent Distribution of the Unemployed in Eight Colombian Cities, by Origin and Type of Unemployment

	MEN			WOMEN			TOTAL		
	Previously Employed	First Job Seekers	Total	Previously Employed	First Job Seekers	Total	Previously Employed	First Job Seekers	Total
Natives	43.48	60.59	47.60	46.15	51.29	48.65	44.49	54.61	48.09
Same Dept.	28.29	26.50	26.50	26.30	19.54	23.02	27.54	20.00	24.86
Other Dept.	28.23	18.59	25.90	27.54	29.16	28.33	27.97	25.39	27.05

Source: Data from CEDE, Encuestas Urbanas de Empleo y Desempleo, op. cit., Annexo Estadistico.

Table 14

Agricultural Wages and Unskilled Construction Wages, Bogota and Cundinamarca (1935-1971)

(all wages expressed in current pesos per day)

Year	Unskilled Construction Workers: Bogota	Agricultural Salaries: Cundinamarca	Agricultural Salaries: Cold Climate, Cundinamarca
1935	(.80)		
1936	(.75)		
1937	(.93)		
1938	(.94)	0.60	0.60
1939	(.96)	0.60	0.60
1940	(.95)	0.80	0.80
1941	(.94)	0.80	0.90
1942	(.92)	0.65	0.60
1943		0.60	0.60
1944		0.90	0.80
1945		1.05	1.00
1946		1.50	1.50
1947		1.75	1.50
1948		1.85	1.70
1949		2.05	2.00
1950	2.24	2.50	2.30
1951	2.34	2.90	2.60
1952	2.45	2.70	2.40
1953	2.50	2.95	2.55
1954	2.74	3.42	2.90
1955	2.93	3.67	3.25
1956	3.98	3.92	3.35
1957	4.30	4.37	3.90
1958	5.01	5.05	4.50
1959	6.00	5.25	4.75
1960	6.50	5.90	5.25
1961	7.60	6.50	5.80
1962	8.50	7.10	6.55
1963	10.20	9.15	8.40
1964	12.55	10.10	9.75
1965	15.00	11.65	11.60
1966	16.00	13.72	12.60
1967	17.00[a]	15.67	14.20
1968	18.00[a]	16.80	14.50
1969	19.00[a]	18.50	17.22
1970	20.00[a]		
1971*	21.57[b]		

[a] Interpolated by guessing.

[b] 20.39 + 1.5 without fringe benefits for those benefits.

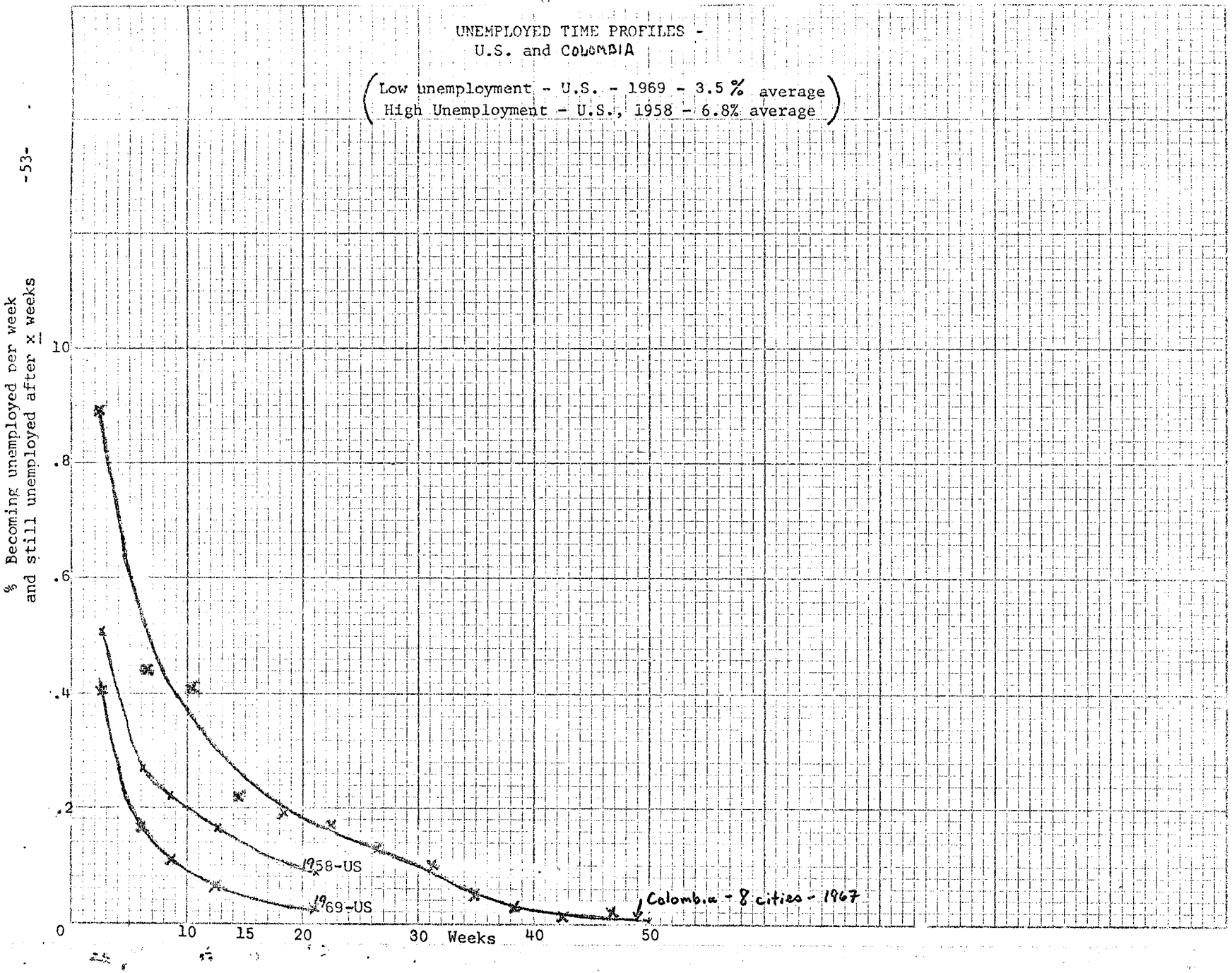
*First semester.

Source: A. Berry, "Some Determinants of Changing Income Distribution in Colombia, 1930-1970," Discussion Paper #137, 1972.

year in the U.S. Diagram 1 shows the aggregate time-unemployed profile for the eight cities of CEDE's 1967 survey and profiles for the U.S. in 1958 (relatively high unemployment) and 1969 (low unemployment). In both years the ratio $\frac{\%\text{ unemployed at least X weeks-Colombia}}{\%\text{ unemployed at least X weeks - U.S.}}$ rises with X, i.e. long term unemployment is proportionately (to short term unemployment) more severe in Colombia than in the U.S., but the difference is not marked when the comparison is made with the 1958 U.S. figures; for 1969 it is very marked, with the Colombian very short term rate being about twice that of the U.S. whereas the twenty week unemployed rate is seven or eight times as high. The comparison of the 1958 and 1969 profiles for the U.S. suggests a high elasticity of long term unemployment to the total unemployment rate, and the Colombia profile is consistent with such an elasticity.

The rate of leaving the unemployed category during the first twenty weeks was much faster in Bogota than in any of the other cities (i.e. the negative slope of its profile greater), reflecting something positive in the functioning of the labor market (See Diagram 2). For longer periods, however, Bogota's rate was the highest of all the cities; this may be associated with the high share of clerical job seekers there plus the relatively high wealth levels. Table 15a shows "x weeks or more" unemployment rates by occupations; of the large categories the rate for clerical job seekers is the highest for all unemployment periods. Table 15c indicates that the "year or more" unemployment rate

Diagram 1


UNEMPLOYED TIME PROFILES -
U.S. and COLOMBIA
(Low unemployment - U.S. - 1969 - 3.5 % average
High Unemployment - U.S., 1958 - 6.8% average)
% Becoming unemployed per week
and still unemployed after x weeks
10
.8
.6
.4
.2
0
10
15
20
30
Weeks
40
50
1958-US
1969-US
Colomb.a - 8 cities - 1967